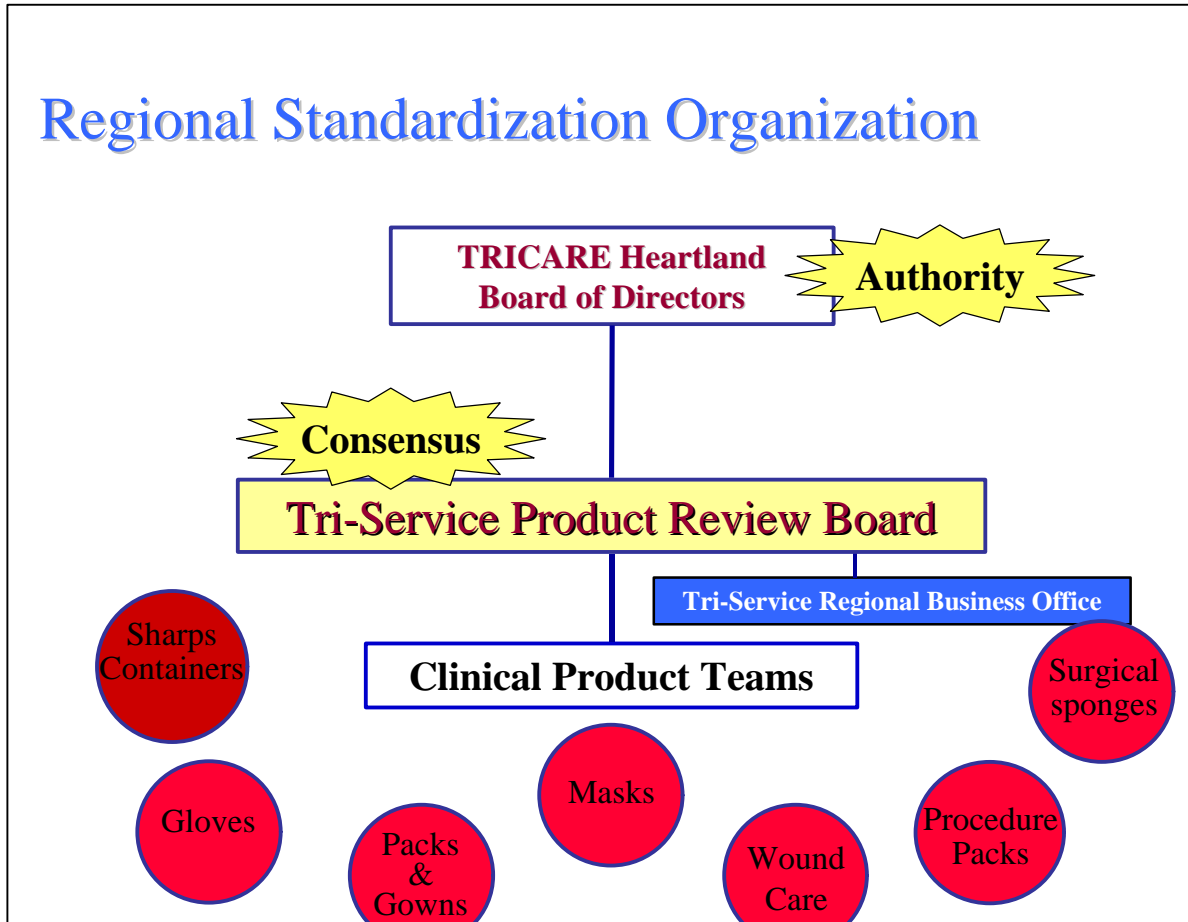


STANDARDIZATION PROGRAM OVERVIEW For TRICARE REGION 5 (Heartland)

The best logistics business practices of the most successful government and commercial organizations increasingly include regionalization, standardization, requirements consolidation, coordinated planning and cooperative action. Together, these practices have proved to result in significant cost savings and efficiencies. TRICARE Region 5 is striving to achieve these results through the TRICARE Heartland Standardization Program.

Under the standardization initiative, the Tri-Service Product Review Board (TPRB) has been established to support the TRICARE Region V Board of Directors in achieving standardization of Medical Surgical (MedSurg) products among the five partner facilities. The TPRB serves as a forum for seeking and evaluating opportunities for committed volume purchase agreements through the DOD Prime Vendor Program, and coordinating logistics efforts in support of military health care within TRICARE Region 5. The Regional Standardization Organization structure for achieving consensus and standardizing products is shown in Figure 1 below.

Regional Standardization Organization



The TPRB consists of a core team made up of the Chief of Logistics and a designated clinical representative from each Partner Facility.

To determine which products should be standardized, candidates are carefully analyzed. Initially, the Tri-Service Regional Business Office, in concert with the supporting Prime Vendor, looks at the basic product line, usage, and annual dollar expenditures to assess the investment necessary to standardize a product. Candidates that fall into a major product line and have the greatest potential for savings are high on the priority list. Nominations from MTFs are welcomed, and can be sent via email to the Tri-Service Regional Business Office located at Wright-Patterson AFB, OH. The address is provided at the end of this overview. For each product line that is under review, the TPRB assigns a Clinical Product Team (CPT). Each Service provides one person – always a clinician, but usually not a member of the TPRB itself. One Service is selected as the lead, which means that they are responsible for coordinating the actions of the CPT. The CPT meets as frequently as necessary to review a product line, collect vendor data, develop clinical critique, evaluate products (clinically), analyze usage and price, and select the best product. The Tri-Service Regional Business Office (consisting of a nurse, a logistician, and a data analyst) eases clinical representatives from this administrative workload by contacting vendors, determining whether the vendors have a National Distribution and Pricing Agreement

(DAPA) in the Universal Data Repository (UDR), facilitating CPT meetings, conducting data analysis, and other administrative and support functions necessary to sustain this program. Each CPT attends the monthly TPRB meeting to report on their progress and to present recommendations to board members, who will either endorse the recommendation or forward its own recommendation with that of the CPT to the TRICARE Region V Board of Directors.

Specific Responsibilities of the TPRB are:

- Reviewing stockage and usage data to identify opportunities for standardization & volume purchase agreements.
- Establishing and coordinating Clinical Product Teams (CPTs) for the purpose of conducting product evaluations & trials.
- Developing and coordinating common logistical concepts aimed at improving services, efficiencies, and reducing costs.
- Providing a single military forum for receiving and evaluating vendor proposals for product introduction and standardization within the NCA.
- Provide a single military forum for coordination and resolution of issues regarding the DOD MedSurg Prime Vendor Program within TRICARE Region 5.
- Making recommendations through the TRICARE Region 5 Board of Directors for product standardization and purchase agreements.
- Developing courses of action and make recommendations based upon sound clinical and business considerations. Recommendations are forwarded to the TRICARE Region 5 Board of Directors for approval.
- Ensuring fair consideration is given to National Institute for the Blind (NIB) and National Institute for the Severely Handicapped (NISH) manufacturers. Upon receipt of a CPT recommendation, the decision is sent to the TSRB for final approval. If a vote is taken, each partner facility has one vote, which will be cast by the Logistics Chief (or designee). Clinical Product Teams (CPTs) established by the TPRB will consist of one voting "clinical champion" from each partner facility (five total), with additional non-voting representatives as required (CPT members may or may not be from the standing membership of the TPRB). Once approved, the selected vendor provides an agreement to the TRICARE Region V Regional Logistics Chief. The agreement serves as an interim document for managing the agreed upon price savings and any additional services which the vendor is willing to provide until a Regional Distribution and Pricing Agreement (DAPA) is in place (normally 30-60 days after the agreement is signed). The intent is to use regional DAPAs as the means to manage pricing agreements. These agreements are binding for all NARMC/Region 1 MTFs. Vendors who do not have National DAPAs, or who wish to establish a regional DAPA, are asked to contact DSCP, or to visit

<http://www.dpssc.dla.mil/medical/medsurg/devices.htm>.

After activating an agreement, the Tri-Service Regional Business Office, located at Wright-Patterson Medical Center, monitors the MTFs and vendors comply with the agreement.

Questions or comments regarding the TRICARE Region V Standardization Program may be addressed to the following:

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